# **House Committee on Appropriations**

Minutes of Meeting 2019 Regular Session April 23, 2019

# I. CALL TO ORDER

Representative Cameron Henry, Chairman of the House Committee on Appropriations, called the meeting to order at 9:17 a.m. in Room 5, in the State Capitol in Baton Rouge, Louisiana. The secretary called the roll.

#### II. ROLL CALL

#### **MEMBERS PRESENT:**

Representative Cameron Henry, Chairman

Representative Mark Abraham

Representative Beryl A. Amedée

Representative James K. Armes, III

Representative Tony Bacala

Representative Lawrence A. "Larry" Bagley

Representative John A. Berthelot

Representative Robert E. Billiot

Representative Gary M. Carter, Jr.

Representative Charles R. Chaney

Representative Rick Edmonds

Representative Julie Emerson

Representative Reid Falconer

Representative Franklin J. Foil, Vice Chairman

Representative Walt Leger, III

Representative Jack G. McFarland

Representative Blake Miguez

Representative Dustin Miller

Representative Scott M. Simon

Representative Patricia Haynes Smith

Representative Jerome "Zee" Zeringue

### **MEMBERS ABSENT:**

Representative Lance Harris

Representative Valarie Hodges

Representative Steve E. Pylant

Representative Jerome Richard

#### **STAFF MEMBERS PRESENT:**

Ms. Alexis Normand, Attorney

Ms. Jane Schoen, Secretary

Ms. Adrienne Wood, Attorney

# **ADDITIONAL ATTENDEES PRESENT:**

Ms. Faye Talbot, Sergeant at Arms Ms. Vivian Hurst, Sergeant at Arms

#### III. DISCUSSION

# **House Bill No. 105 by Representative Henry**

The following agencies contained in House Bill No. 105 were discussed:

# **Department of Wildlife and Fisheries**

Mr. Chris Keaton, Deputy Director, House Fiscal Division (HFD), 900 North Third Street, Baton Rouge, LA 70802, (225) 342-8569, and Secretary Jack Montoucet, Department of Wildlife and Fisheries (DWF), 2000 Quail Drive, Baton Rouge, LA 70808, (225) 765-2800, discussed the department's excess budget authority.

Secretary Montoucet and Mr. Bryan McClinton, Undersecretary, DWF, 2000 Quail Drive, Baton Rouge, LA 70808, (225) 765-2800, discussed the need for excess budget authority to expedite certain projects with Representatives Bacala and Billiot.

Mr. Keaton discussed the state's budgeting process in relationship to excess budget authority with Representative Bacala.

Secretary Montoucet discussed restructuring licensing fees and the department's need for a stable source of revenue with Representative Billiot. The secretary also discussed the public's perception of the department's excess budget authority with Representative McFarland.

Mr. Patrick Banks, Assistant Secretary, DWF, 2000 Quail Drive, Baton Rouge, LA 70808, (225) 765-2800, and Secretary Montoucet discussed the cost of upcoming fisheries projects with Representative Berthelot.

Mr. McClinton discussed the department's interagency transfers and excess budget authority for upcoming projects with Representative Henry.

### **Department of State**

Ms. Christina Bastien, Budget Analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2412, presented an overview and discussed the department's excess budget authority in FY 18-19.

Secretary R. Kyle Ardoin, Department of State, P.O. Box 94125, Baton Rouge, LA 70804, (225) 922-2880, discussed the department's unspent state general fund dollars and fees and self-generated revenue with Representatives Henry, Abraham, and Bacala.

Ms. Caryn McGlinchey, Accounting Administrator, Department of State, P.O. Box 94125, Baton Rouge, LA 70804, (225) 362-5156, and Secretary Ardoin discussed the department's budgeting procedures with Representative Henry.

# **Department of Transportation and Development**

Mr. Daniel Waguespack, Budget Analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-7477, presented an overview and discussed the department's excess budget authority in FY 18-19.

Representative Bacala in the chair.

Dr. Shawn Wilson, Secretary, Department of Transportation and Development (DOTD), 1201 Capitol Access Road, Baton Rouge, LA 70801, (225) 379-1200, discussed public-private partnership (P3) projects with Representative Foil.

Dr. Wilson also discussed the department's statutory dedications and excess budget authority with Representative Bacala, and Dr. Wilson and Mr. Barry Keeling, Undersecretary, DOTD, 1201 Capitol Access Road, Baton Rouge, LA 70801, (225) 379-1270, discussed projected revenue sources in the department's budget and interagency transfers with Representatives Abraham and Bacala.

Representative Henry in the chair.

Dr. Wilson discussed the Highway Priority Program with Representative Bagley.

# **Department of Children and Family Services**

Mr. Chas Nichols, Budget Analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2444, presented an overview and discussed the department's excess budget authority in FY 18-19.

Secretary Marketa Walters, Ms. Terri Ricks, Deputy Secretary, and Mr. Eric Horent, Undersecretary, Department of Children and Family Services (DCFS), 627 North Fourth Street, Baton Rouge, LA 70802, (225) 342-6930, discussed the department's need to retain excess federal authority with Representative Henry.

Secretary Walters and Mr. Horent, Undersecretary, discussed the funds allocated to the Supplemental Nutrition Assistance Program (SNAP) and the amount of federal match associated with SNAP with Representatives Henry and Foil. The secretary also discussed the state's foster care program with Representatives Bagley and Foil.

Secretary Walters and Mr. Horent discussed ways to reduce the department's excess budget authority with Representative Bacala.

Secretary Walters and Mr. Horent discussed the SNAP program's positive impact on the state's economy with Representatives Billiot and Chaney.

# **Department of Public Safety**

Ms. Jamie Tairov, Budget Analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-0474, presented an overview and discussed the department's excess budget authority in FY 18-19.

Colonel Kevin Reeves, Superintendent, and Lieutenant Colonel Jason Starnes, Louisiana State Police (LSP), 7919 Independence Blvd., Baton Rouge, LA 70806, (225) 925-6006, discussed excess budget authority and increases in fees and self-generated revenue for the Office of Motor Vehicles with Representatives Henry, Bacala, Berthelot, and Billiot.

Lt. Colonel Starnes discussed the department's need for excess federal budget authority in the event of emergency situations with Representative Bacala.

### **Louisiana Workforce Commission**

Ms. Bastien presented an overview and discussed the department's excess budget authority in FY 18-19.

Ms. Ava Dejoie, Secretary, Louisiana Workforce Commission, 1001 North 23<sup>rd</sup> Street, Baton Rouge, LA 70802, (225) 342-3001, discussed the impact of reducing the commission's budget authority and the amount of excess federal budget authority with Representative Henry.

### **Department of Agriculture and Forestry**

Ms. Tairov presented an overview and discussed the department's excess budget authority in FY 18-

Mr. Dane Morgan, Assistant Commissioner, Department of Agriculture and Forestry, 5825 Florida Blvd., Baton Rouge, LA 70806, (225) 922-1234, discussed the department's anticipated fees and self-generated revenue for the Medical Marijuana Program and the reduction of excess budget authority with Representative Henry.

### **Governor's Office of Homeland Security and Emergency Preparedness**

Mr. Keaton presented an overview and discussed the agency's excess budget authority in FY 18-19.

Ms. Christina Dayries, Assistant Deputy Director, Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), 7667 Independence Blvd., Baton Rouge, LA 70806, (225) 358-5599, discussed the impact of reducing the agency's excess budget authority, seed funding, and interagency transfers with Representative Henry.

#### **Department of Environmental Quality**

Ms. Bastien presented an overview and discussed the department's excess budget authority in FY 18-19.

Ms. Karyn Andrews, Undersecretary, Department of Environmental Quality, P.O. Box 4303, Baton Rouge, LA 70821, (225) 219-3845, discussed the impact of reducing the department's excess budget authority and statutory dedications with Representative Henry. Ms. Andrews also discussed the progress of issuing two-year inspection stickers in the Baton Rouge area with Representative Foil.

The meeting recessed at 11:38 a.m. and reconvened at 1:09 p.m.

# **Department of Justice**

Ms. Adrienne Wood, Legislative Analyst, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-8596, presented an overview and discussed the department's excess budget authority in FY 18-19.

Ms. Melissa Gannuch, Deputy Director, Department of Justice, 1885 North Third Street, Baton Rouge, LA 70802, (225) 326-6210, discussed the department's allocation of state general fund dollars, fees and self-generated revenue, and excess budget authority with Representative Henry.

### **Department of Health**

Mr. Keaton presented an overview and discussed the agency's excess budget authority in FY 18-19.

Mr. Bill Stiles, Chief Deputy Attorney General, and Mr. Ronnie Beaver, Chief Investigator, Department of Justice, 1885 North Third Street, Baton Rouge, LA 70802, (225) 326-6210, discussed audit findings of fraud, waste, and abuse within the Medicaid Program with Representative Edmonds.

Mr. Beaver and Mr. Stiles discussed the Medicaid Fraud Control Unit's efforts to control fraud, waste, and abuse within the Medicaid Program with Representative Miller.

Dr. Rebekah Gee, Secretary, Louisiana Department of Health (LDH), 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed justification of audit findings of fraud, waste, and abuse within the Medicaid Program and discussed LDH's efforts to put preventative measures in place to prevent Medicaid fraud with Representative Miller.

Ms. Karen Stubbs, Assistant Secretary, Office of Behavioral Health, 628 North Fourth Street, Baton Rouge, LA 70821, (225) 342-9500, discussed various types of behavioral health licenses with Representative Bacala and Miller.

Mr. Stiles and Mr. Beaver discussed the number of cases of Medicaid recipient fraud and ways to safeguard against future Medicaid fraud, waste, and abuse with Representatives Billiot and Miller.

Mr. Beaver and Mr. Stiles discussed the amount of training provided to employees of the Medicaid Fraud Control Unit with Representative Smith.

Ms. Jen Steele, Medicaid Director, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, provided clarification of Payment Error Rate Measurement (PERM) statistics to Representative Smith.

Ms. Stubbs and Ms. Steele discussed the license verification process for behavioral health providers with Representative Bacala. Mr. Beaver also provided examples of prosecuted medicaid fraud cases with Representative Bacala.

Ms. Cindy Rives, Undersecretary, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, and Ms. Steele discussed the total medicaid budget compared to other states with Representative Bacala. Ms. Rives also discussed available funding for the thirteenth check write,

the department's carry-forward state and federal funds, and the department's excess budget authority with Representative Bacala.

Ms. Rives and Mr. Steve Russo, Executive Counsel, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed the need for an increase in fees and self-generated revenue to fund a new healthcare program with Representative Bacala.

Ms. Steele, Ms. Rives, and Dr. Gee provided clarification regarding overpayments to certain managed care organizations (MCO) to Representative Bacala.

Ms. Steele discussed audit findings of the Medicaid Program population with Representative Bacala, and Mr. Mark Thomas, Deputy Secretary, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9726, discussed waiting lists for certain waiver programs with Representative Bacala.

Ms. Steele and Dr. Gee discussed LDH's Medicaid fraud detection protocols with Representative Miller.

Ms. Rives, Dr. Gee, Mr. Russo, and Ms. Steele also discussed the Medicaid Managed Care Quality Incentive Program (MCIP) with Representatives Henry and Miller.

Ms. Rives discussed funding for intermediate care facilities and day programs for adults with developmental disabilities with Representative Foil.

Dr. Gee and Ms. Steele discussed pharmaceutical drug rebate pricing with Representative Amedée, and discussed certain medicaid expansion metrics with Representatives Amedée and McFarland.

Dr. Gee and Ms. Rives discussed trends in payments to public-private partnerships with Representative McFarland.

Ms. Steele discussed payments to independent pharmacies with Representative Bacala.

Dr. Gee discussed the department's efforts to prevent fraud, waste, and abuse within the Medicaid Program with Representative Carter.

Ms. Rives discussed the department's accounting system and policies with Representative Henry.

Mr. Barry Dussé, Director, Office of Planning and Budget, 1201 North Third Street, Baton Rouge, LA 70802, (225) 342-7020, provided clarification on LDH's means of financing and Preamble language to Representative Henry.

# IV. OTHER BUSINESS

There was no other business.

### V. ANNOUNCEMENTS

There were no announcements.

# VI. ADJOURNMENT

Representative Smith offered a motion to adjourn. Without objection, the motion passed by a vote of 21 yeas and 0 nays. Representatives Henry, Foil, Abraham, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Gary Carter, Chaney, Edmonds, Emerson, Falconer, Leger, McFarland, Miguez, Dustin Miller, Simon, Smith, and Zeringue voted yea.

The meeting was adjourned at 3:39 p.m.

Respectfully submitted,

Chairman Cameron Henry House Committee on Appropriations